

MEA's fiscal mess

2082. SHRI NANA DESHMUKH: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Government's attention has been drawn to the news item captioned "MEA's fiscal mess costs the country Rs. 140 crore" as reported in the Indian Express dated 20th May, 2000;

(b) if so, the details thereof; and

(c) what steps are being taken to compensate the loss to the exchequer?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI AJIT KUMAR PANJA): (a) and (b) Sir, we have seen the news item. It is generally based on C.A.G. report submitted to the P.A.C. which contains some paras pertaining to Ministry of External Affairs, which are at present under consideration of P.A.C.

(c) Appropriate action, as per rules, will be taken after studying the Report.

Boosting bilateral trade with Russia

2083. SHRI NANA DESHMUKH: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether it is a fact that India have finalised with Russia an action plan to step up economic cooperation including establishment of a transport corridor linking Mumbai with the Southern Russian port of Astrakhan to boost bilateral trade;

(b) whether it is also a fact that the transport corridor through Iran would considerably cut short the time for transportation of goods from India to Russia;

(c) if so, the details thereof; and

(d) to what extent the trade potentials between the two countries would increase?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI AJIT KUMAR PANJA): (a) During the visit of the External Affairs Minister to the Russian Federation in June 2000, India and the Russian Federation mutually agreed on an

action plan to expand trade and economic cooperation. One of the points in the action plan is an Agreement on transit along the 'North-South' Corridor to facilitate transportation via Iran and the Caspian Sea to the Russia Federation. A draft of this Agreement is under discussion.

(b) to (d) The 'North-South' Corridor is expected to reduce the shipment time for the transportation of goods from India to the Russian Federation by 20-30%. Besides the delivery time, a saving in cost is also anticipated. Reduction in shipment time and costs could lead to an increase in the trade turnover between India and the Russian Federation.

Visit of Australian Prime Minister to India

2084. SHRI RAMDAS AGARWAL: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether the Australian Prime Minister during his recent visit to India indicated that his Government was willing to lift sanctions imposed on non-humanitarian assistance after the Pokhran blasts;

(b) whether the Australian Prime Minister also assured of re-establishment of defence cooperation between the two countries; and

(c) which are the other countries, including Japan who are likely to lift similar sanctions imposed on India?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI AJIT KUMAR PANJA): (a) The Australian Foreign Minister on his return to Australia after a visit to India in March 2000, announced the Australian Government's decision to remove the restrictions which it had imposed on non-humanitarian aid to India after India's nuclear tests in May 1998. The matter did not come up for discussions during the visits of the Prime Minister of Australia to India in July 2000.

(b) Resumption of defence relations between India and Australia was agreed upon in principle during the visit of the Australian Foreign Minister of India in March 2000. The matter was not discussed during the Australian Prime Minister's visit to India subsequently.

(c) The US Government has progressively lifted some of the